



## Redington (India) Limited

### Notes to the Statement of unaudited Standalone / Consolidated Financial Results for the Quarter / Nine Months Ended December 31, 2019

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors of Redington (India) Limited ("the Company") at their respective meetings held on February 5, 2020 and February 6, 2020.
2. The above financial results comprise the unaudited results of the Company and its subsidiaries (collectively referred to as 'the Group') and the Group's interest in its associates.
3. A Limited review of the unaudited standalone and consolidated financial results of the Company has been carried out by the statutory auditors. A similar review of the financial results of the subsidiaries / associate has been conducted by the respective statutory auditors, as applicable.
4.
  - a. The above financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - b. The figures of the previous periods have been regrouped / reclassified, wherever necessary, to conform to current period's classification.
5. The Group is engaged primarily in the business of Distribution of Information Technology & Mobility products besides supply chain solutions and after sales service. As per Ind AS 108 "Operating Segments", the disclosure of reportable segments, "India" and "Overseas" have been made in a manner consistent with internal reporting made to the Managing Director who is the Chief Operating Decision Maker for the Group.
6. During the quarter,
  - a. The Board of Directors has declared and paid an interim dividend of ₹1.50 per Equity Share of ₹2/- each i.e., 75% of face value per share.
  - b. The Company's 100% subsidiary ProConnect Supply Chains Solutions Limited (ProConnect) has acquired the balance 12% stake in its step-down subsidiary, Rajprotim Supply Chain Solutions Limited (RCS) for a consideration of ₹11 crores. With this acquisition, RCS becomes a wholly-owned subsidiary of ProConnect.
  - c. Sensonet Teknoloji Elektronik ve Bilisim Hizmetleri Sanayi Ve Ticaret A.S., a wholly-owned subsidiary of Arena Bilgisayar Sanayi Ve Ticaret A.S. ("Arena"), got merged with Arena.
  - d. Pursuant to exercise of options given under ESOP scheme, the company has issued 6,435 equity shares of ₹2/- each at a premium of ₹77.30/- per share. Consequently the share capital has been increased by ₹0.001 crores and securities premium has been increased by ₹0.05 crores.

7. The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Group has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

The cumulative effect of initial application of the standard resulted in a reduction of ₹ 12.76 crores in the retained earnings as on April 1, 2019, net of taxes. In the statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right of use asset and finance cost for interest accrued on lease liability.

8. The Company and its Indian subsidiaries elected to exercise the option of reduced income-tax rates permitted under section 115BBA of Income-tax Act 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, provision for income tax for the nine months ended December 31, 2019 has been recognized and deferred tax assets are re-measured, basis the rate prescribed in the said section.
9. The Standalone and Consolidated financial results of the Company for the Quarter / Nine month ended December 31, 2019 have been filed with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and are available in Company's website [www.redingtongroup.com](http://www.redingtongroup.com).

**For Redington (India) Limited**

**Place: Chennai**  
**Date: February 6, 2020**

**Sd/-**  
**Raj Shankar**  
**Managing Director**